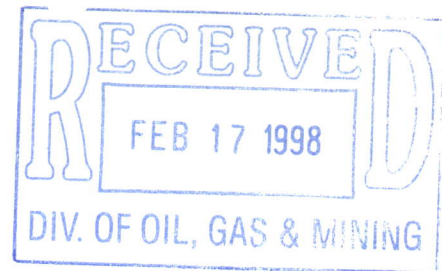


SPRUNGER'S MINERALS  
P.O. BOX 38054  
LEAMINGTON, UT 84638  
(801) 857-2572



February 9, 1998

Utah Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

Gentlemen:

As required, we are to notify you that we wish to begin operations on our newly acquired gemstone lease ML47821. Enclosed is a copy of our Plan which is being sent to SITLA.

Please direct correspondence or forms to the above address.

Sincerely,

Mike Sprunger  
Sandra Sprunger

5/023/057

PLAN OF OPERATIONS FOR MINING ML47821 ON UTAH STATE LANDS

1. Lessee Information:

- a) Lease Number: ML47821
- b) Name of Lessee: Michael & Sandra Sprunger
- c) Name of Operator: (Same as lessee)
- d) Others with surface or mineral interest: None

2. Maps:

- a) 7½' USGS Topo map is attached showing ML47821.
- b) Detailed site map is attached showing pre-existing access road and old workings and proposed new workings.

3. Statement of Methods:

- a) Backhoe/loader will be used to clear off and stockpile (scant) topsoil and surface rock in the area to be mined. Mining will be done with a portable gas-powered drill (Cobra). Small diameter bore holes, 2' to 4' deep, will be lightly loaded with AN/FO to move rock. "Waste rock" will then be stockpiled separately from the topsoil for later reclamation. Anticipated work area including stockpiles will be under ¼ acre. Estimated amount of rock that will be mined per year will be 50 to 100 cubic yards (100 to 200 tons).
- b) There is no surface water at this location and water will not be used in mining.
- c) Mining will be exploratory and sporadic as time allows. More mining time will follow as success warrants. No time of completion of operation is foreseen.

4. Plan of Reclamation:

- a) The area we plan to work has sparse vegetation, mostly cheat grass and some sage. Present land use includes minor grazing, yard rock and rockhound collecting, chukar hunting, and recreational 4X4's making and following "ghost roads". Restoration will consist of filling quarry, covering with stockpiled topsoil, and reseedling. No interruption of the present land use is anticipated.
- b) Distribution and grading of topsoil will be done by planing the topsoil with loader bucket of backhoe.
- c) There will be no toxic or unsuitable materials to deal with during reclamation.

PLAN OF OPERATIONS FOR MINING ML47821 (Cont.)

- 4.d) Sage or SITLA-recommended seed will be broadcast and raked in by hand. Use of fertilizers would not be necessary.
5. A copy of a letter to the Utah Division of Oil, Gas and Mining is enclosed as evidence that the lessees have notified that Division.



T 12 S

# Map 2a

7 1/2' Topo Showing  
40 acre ML 47821

SW 1/4 NW 1/4 Sec 16  
T12S, R11W SLBM

See Map 2b

area of operations

Access

TRAIL

JEEP

North

South

47°30"

44°06

530 000  
FEET

44°04

44°03

39°45'  
113°07'30"

319

320 1 550 000 FEET

321

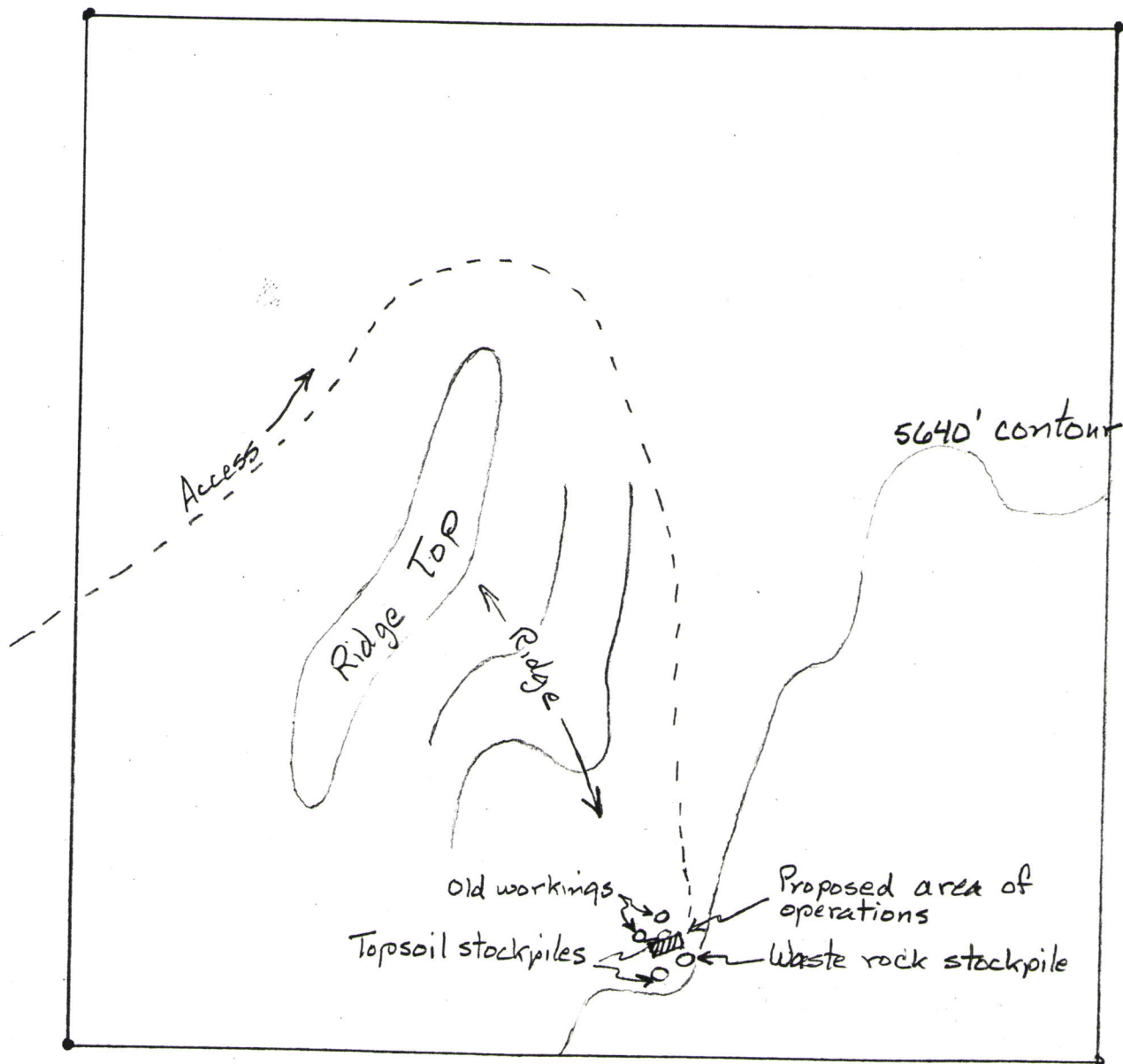
5'

322



## Map 2b

Detailed Site Plan Showing Access, Old Workings and New Workings on ML 47821  
(40 acres = SW $\frac{1}{4}$ NW $\frac{1}{2}$  Sec 16, T12S, R11W, S4BM)



1" = 220'

